

February 13, 2009

BUSINESS & LABOR
EXHIBIT NO. 14
DATE 2-13-09
BILL NO. SB 397

SB397

Mister/Madame Chair & Committee Members,

As a responsible, educated Consumer, in the state of Montana, I am opposing SB 397.

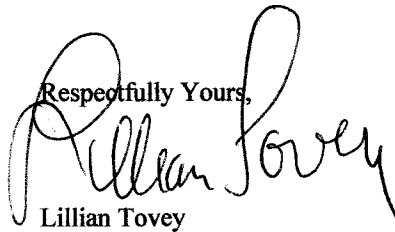
I have excellent credit and have a household income over 40,000.00/year. Having worked in the state for small businesses, since 1974, I do not have health insurance. I have a couple illnesses that require continuous treatment, that run me \$5000.00 to \$10000.00 per year. Not having insurance I have to pay a portion of my Doctor visits when I arrive at their office, anywhere from \$50.00-\$100.00, depending on the doctor. Occasionally these visits fall at times when I don't have those funds until payday. Many of these visits I am not able to reschedule, since they are made 4-6 months in advance. When these times occur I use the service of a Deferred Deposit lender in Helena. It is more cost effective for me to use this service then to use the overdraft service at my bank. I have never used the overdraft service, but I do know it costs \$25.00 if I were to use that service, which is more than the fee on a \$100.00 at the lenders, and I believe it would put a black mark on my account for having an overdraft.

I do understand your position with irresponsible borrowers, but feel that the majority of Consumers are a responsible group, and being such we should not have our options taken from us because of the minority that are irresponsible when it comes to short term loans. Common sense dictates that you do not take out a loan every 2 weeks. Personally I have probably used the service less than 10 times in 12 years.

Passing this bill with a 36% interest rate would shut down these businesses and leave many people without the ability to borrow small sums of money, when needed. As I have stated before regarding HB 396, I am able to go to the bank and borrow a \$1000.00 without collateral, but there is no reason to borrow a \$1000.00 when I need \$50.00 to \$100.00.

As a registered voter and citizen of Montana I beg you to vote against this bill, the Consumers of this state need a service such as this. Do not take away this service without providing a reasonable alternative.

Respectfully Yours,



Lillian Tovey